

**MINUTES OF THE JOINT PUBLIC EDUCATION APPROPRIATIONS
SUBCOMMITTEE
WEDNESDAY, JANUARY 29, 2003
ROOM 129, STATE CAPITOL BUILDING**

Members Present: Sen. Howard Stephenson, Co-Chair
 Rep. Gordon E. Snow, Co-Chair
 Sen. James Evans
 Sen. Karen Hale
 Sen. Lyle Hillyard
 Sen. Bill Wright
 Rep. Doug Aagard
 Rep. Duane Bourdeaux
 Rep. Judy Ann Buffmire
 Rep. LaVar Christensen
 Rep. David N. Cox
 Rep. Marda Dillree
 Rep. Glenn Donnelson
 Rep. John Dougall
 Rep. James Ferrin
 Rep. Karen Morgan

Staff Present: R. Michael Kjar, Legislative Fiscal Analyst
 Ben Leishman, Legislative Fiscal Analyst
 Nedra Duzett, Secretary

Public Speakers Present: Lee Robinson, Supt., Utah State Schools for the Deaf & Blind
 Leslie Gertsch, Legislative Coalition for People with Disabilities
 Mary Ann Smail, Institute Council, USDB

Visitor List on File

Committee Co-Chair Stephenson called the meeting to order at 2:12 p.m. He noted that the committee did not take time in the last meeting to review Committee Procedures. Committee members indicated the procedures outlined on the handout given to them was acceptable procedure to be followed in all meetings.

1. Approval of Minutes - MOTION: Rep. Donnelson moved to approve the minutes of the January 24 meeting. The motion passed with all present voting in favor.

2. Education Agencies Budget Presentation

Child Nutrition Programs - Ben Leishman, Fiscal Analyst, presented the recommended budget for the Child Nutrition Programs. The Child Nutrition Programs are federal assistance programs with the purpose of offering high quality, nutritionally well-balanced

meals. The Analyst recommends \$102,633,800 for the Child Nutrition Programs, including \$162,400 from the Uniform School Fund.

During special session held in December, the Legislature rescinded \$2,000 in ongoing Uniform School Funds from the Child Nutrition Programs. This reduction was mitigated through a one-time restoration. The Analyst's FY 2004 base reflects the ongoing reduction to the Child Nutrition Programs as originally approved by the Legislature.

In addition to the reduction detailed above, the USOE recommends transferring \$23,000 in ongoing Uniform School Funds from the Child Nutrition line item to the Education Contracts line item. With this transfer the total ongoing reduction in FY 2004 to Child Nutrition would be \$25,000. To cover the reduction of \$25,000, the Emergency Food Assistance Program will be reduced.

The Analyst recommends transferring \$23,000 in ongoing Uniform School Funds from the Child Nutrition line item to the Education Contracts line item.

Education Contracts - Mr. Leishman presented the budget for Education Contracts. The two programs in Education Contracts provide educational services to students in the custody of the state. The Youth Center provides services to students at the State Hospital in Provo, and Corrections Institutions provide services to inmates in the state's correctional facilities.

The Analyst recommends \$3,831,800 for Education Contracts.

Action taken by the Legislature during the Sixth Special Session resulted in a decrease of \$46,500 in Uniform School Funds for Education Contracts. This reduction results in a decrease of \$13,900 for the Youth Center and \$32,600 for Corrections Institutions.

To offset the reduction detailed above, USOE recommends transferring \$23,000 in ongoing Uniform School Funds from the Child Nutrition line item to the Education Contracts line item. With this transfer the total ongoing reduction in FY 2004 to Education Contracts would be \$23,500.

Utah Schools for the Deaf and Blind - Mr. Leishman presented the recommended budget for Utah Schools for the Deaf and Blind. The schools provide educational services to hearing and/or visually impaired children from birth to age twenty one. The analyst recommends \$21,408,400 for USDB. Of this amount, \$17,367,200 is from the Uniform School Fund.

Statewide budget issues were covered in the presentation. This information may be found in the budget book.

Mr. Leishman pointed out that on Feb. 4, 2001, the Public Education Appropriations Subcommittee unanimously voted "To recommend to the Legislative Management Committee that a management audit of the Schools for the Deaf and Blind be performed during the 2002 interim." The subcommittee wanted the audit to include the following issues: are teachers at USDB receiving all funds appropriated by the Legislature for salaries and benefits; what is the cause of large year-end balances reported by USDB; and are the schools generally well managed..

Formal action was not taken on the subcommittee's audit request, and the audit has not been done. Issues outlined by the subcommittee during last year's budget hearings remain valid points to be addressed through a Legislative audit. The Analyst is working with the Legislative Management Committee and the Legislative Auditor General to determine when the USDB audit can be conducted.

The Analyst recommends \$12,099,700 for instruction at the USDB. This amount includes \$11,366,100 from the Uniform School Fund .

The Analyst recommends that USDB instructors receive the same percent salary increase and benefits in FY 2004 as state employees. The subcommittee may wish to prioritize USDB instructor salary adjustments with other appropriation items.

The Analyst recommends \$9,308,700 for support services at the USDB. This amount includes \$6,001,100 from the Uniform School Fund.

The Analyst recommends that, beginning in FY 2004, Trust Land revenue be appropriated to the State Board of Education - USDB Institutional Council line item. The USDB projects that the interest and dividends it will receive in FY 2004 will be approximately \$403,000.

3. Lee Robinson, Supt., Utah Schools for the Deaf and Blind, said USDB is always one year behind in salaries. He stated that it was not the intent for USDB funding to come out of the State Office of Education. They have always come to the committee for their salary increases. USDB has two sources of funding, one from the federal government and other from the Uniform. The funds are already allocated, statutorily and constitutionally. He said in reality they do not end up with the amount of money reported by the Analyst. They carry over 7.5 percent of budget as a reserve to ensure there is not a deficit. The money is already committed and allocated. Mr. Robinson suggested a line item to take care of the problem.

Mr. Robinson distributed a booklet on the USDB. The booklet contained the mission statement, graphs of general and internal organization, and a map showing the division of

the USDB by region. Mr. Robinson referred to a graph in the booklet showing the sharp rise in the number of students served compared to a nearly flat increase in staff.

4. Governor's Office Response - The Governor's Office did not comment on the budgets presented by Mr. Leishman.
5. Public Comment - Leslie Gertch spoke representing the Legislative Coalition for People with Disabilities. Ms. Gertch introduced Kerry Killgore, the father of a blind child. Mr. Kilgore asked the committee to take a moment and visualize the 1,157 students who are being served by USDB. He asked the committee to maintain the previous funding; give teachers competitive wages; and provide building blocks.

Dan Latham, father of a deaf and blind student, expressed appreciation for all that is being done for his daughter, and said his daughter would not be able to live at home without the services of the USDB which they receive. He was especially concerned that salaries are competitive so they don't lose interveners.

Melissa Wilson and Stephanie Carlson mothers of deaf children asked that the committee to fund sufficiently to that services for children continue.

Carol Ruddell, USDB teacher spoke in concern for the FTEs that were lost. USDB works hard to keep teachers well trained. She asked the committee to fund 53A-25-111.

6. Governor's Education Reform & Weighted Competency Unit - Rich Kendell, Governor's Education Deputy distributed a handout on Competency Based Education. The handout explained how proficiency may be measured and how a student may advance through a required curriculum by demonstrating proficiencies rather than seat time or course completion.

Mr. Kendell said the idea is at the concept state and will require public comment and input. Questions raised by the committee concerned higher education and how that system would be impacted. Mr. Kendell said there will be a general concept paper before the end of February that both public and higher education would sign off on. Other concerns that were raised covered how balance would be achieved between academic development and social development.

7. Budget Presentation, Minimum School Program - This item was deferred to the next committee meeting for discussion.

The committee discussed the FTE's eliminated from USDB and the \$440,000 carry-over that remains.

MOTION: Rep Morgan moved that the administration of USDB restore \$400,000 of the \$510,000 in reductions made in FY 2002 to the USDB base budget, and that the reduced FTEs be restored using only non-lapsing funds.

The motion was defeated with tied votes in both the Senate and House.

8. Adjourn

MOTION: Rep. Dougal moved to adjourn at 5:17

Minutes recorded by Nedra Duzett, Secretary.

Sen. Howard Stephenson, Committee Co-Chair

Rep. Gordon Snow, Committee Co-Chair